



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

September 15, 2006

Christopher J. Ward, Treasurer
National Republican Congressional Committee
320 First Street
Washington, DC 20003

Response Due Date:
October 16, 2006

Identification Number: C00075820

Reference: July Monthly Report (6/1/06-6/30/06)

Dear Mr. Ward:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **An adequate response must be received at the Commission by the response date noted above.** An itemization of the information needed follows:

-Schedule A of your report (see attached) discloses one or more contributions which appear to exceed the limits set forth in the Act. 2 U.S.C. §441a(f) and 11 CFR §110.1(c) prohibit a political committee which is established and maintained by a national political party, and any affiliated committees, from accepting contributions from a person or non-multicandidate political committee in excess of \$26,700 in a calendar year.

If any apparently excessive contribution in question was incompletely or incorrectly disclosed, you should amend your original report with the clarifying information.

If any contribution you received exceeds the limits, you may have to refund the excessive amount. The funds can be retained if within 60 days of receipt, (1) the excessive amount was properly reattributed to another person, such as a joint account holder, by obtaining signed written authorizations from each person making the contribution pursuant to 11 CFR 110.1(k)(3), and (2) the treasurer informs the person making the contribution that he or she may request the return of the excessive portion of the contribution if it is not intended to be a joint contribution. Any request from a donor for a refund must be honored.

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Alternatively, the funds can be retained if within 60 days of receipt you (1) transferred the excessive amount to an account not used to influence federal elections, and (2) provided written notice to the person making the contribution of the option of receiving a refund. Any request from a donor for a refund must be honored.

If the foregoing conditions for reattributions or transfers to a non-federal account were not met within 60 days of receipt, the excessive amount must be refunded.

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for the transfer-out or refund. In addition, any reattributions should be reported as memo entries on Schedule A of the report covering the period during which the authorization for the reattribution is received. Any transfers-out or refunds should be disclosed on Schedule B supporting Line 22 or 28 of the report covering the period during which the transaction was made.

Although the Commission may take further legal action regarding the acceptance of an excessive contribution(s), prompt action by your committee to seek reattribution, transfer-out or refund the excessive amount will be taken into consideration.

-Schedule A of your report discloses one or more contributions totaling \$15,000.00 from "HJG LLC" and "Goal Financial LLC," which appears to be a corporation(s). 2 U.S.C. §441b(a) prohibits the receipt of contributions from corporations unless made from a separate segregated fund established by the corporation. Limited liability companies (LLC's) that choose to be treated as corporations under the Internal Revenue Service rules, or have shares that are traded publicly, are considered corporations. In the event that the LLC is treated as a partnership under IRS rules, the aforementioned contributions are to be attributed to each member in direct proportion to his or her share of the LLC's profit or by agreement of its members. Each member who has contributed in excess of \$200 for the calendar year should be identified by name, address, amount of contribution, name of employer, occupation and aggregate total on Schedule A. 11 CFR §110.1(g)(1) through (5).

If any apparently prohibited contribution in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information.

If you have received a prohibited contribution(s), you may have to make a

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refund. If within 30 days of receipt you (1) transferred the prohibited amount to an account not used to influence federal elections, and (2) provided written notice to the person making the contribution of the option of receiving a refund, you may retain the contribution in an account not used to influence federal elections. Any request from a donor for a refund must be honored.

If the foregoing conditions for transfers to a non-federal account were not met within 30 days of receipt, the prohibited amount must be refunded. See 11 CFR 103.3(b)(1).

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for the transfer-out or refund. In addition, any transfers-out or refunds should be disclosed on Schedule B supporting Line 22 or 28 of the report covering the period during which the transaction was made.

Although the Commission may take further legal action concerning the acceptance of prohibited contributions, prompt action by your committee to transfer-out or refund the amount will be taken into consideration.

-Schedule A of your report discloses an aggregate year-to-date total(s) for a contribution(s) received from "Overseas Shipholding Group Inc. PAC" which appears to be incorrect. Please amend your report to provide the correct aggregate year-to-date total(s).

-Schedule B supporting Line 23 of your report discloses one or more contributions to a candidate(s) for the 2006 Primary election; however, the funds were disbursed after the election date(s) (see attached). Please note that contributions may not be designated for an election which has already occurred unless the funds are to be used to reduce a candidate committee's debts incurred during that election campaign.

If any apparently impermissible contribution in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information. If the contribution(s) in question should have been designated for debt retirement, you should amend your report to indicate "debt retirement," along with the year of election.

If you have made an impermissible contribution, you must request a refund or provide a written authorization for a redesignation of the contribution pursuant to 11 CFR §110.2(b) within 60 days of the treasurer's receipt.

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If the foregoing conditions for redesignations were not met within 60 days of the treasurer's receipt, your committee must obtain a refund.

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of the refund or redesignation request sent to the recipient committee(s). In addition, any refunds should be disclosed on Schedule A supporting Line 16 of the report covering the period during which they are received. Any redesignations should be disclosed as memo entries on Schedule B supporting Line 23 of the report covering the period during which the redesignation is made. 11 CFR §110.1(b)

Although the Commission may take further legal action regarding this impermissible activity, your prompt action in obtaining a refund and/or redesignating the contribution(s) will be taken into consideration.

-Schedule B of your report discloses an in-kind contribution(s) designated for the general election, but made before the primary election (pertinent portion(s) attached). In-kind contributions of equipment, such as computers, with a long-term useful life (e.g., an election cycle, or perhaps longer) are similar to contributions of money and may be designated for elections beyond the next election, provided the contributor designates the contribution as such in writing. A contribution of this type of equipment is distinguishable from in-kind contributions that are used only for one particular election, such as non-exempt contributions of food or beverages consumed by primary election day workers, or printing or mailing costs related to general election events or fundraisers. Please amend your report to include a description of the nature of the in-kind contribution(s) in question. If the in-kind contribution(s) on your report does not have a "long-term useful life", it may constitute an excessive contribution(s) for the primary election (see Advisory Opinion 1996-29).

If any apparently excessive contribution in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information.

If you have made an excessive contribution, you must request a refund or provide a written authorization for a redesignation of the contribution pursuant to 11 CFR §110.2(b) within 60 days of the treasurer's receipt.

If the foregoing conditions for redesignations were not met within 60 days of the treasurer's receipt, your committee must obtain a refund.

Please inform the Commission of your corrective action immediately in

writing and provide a photocopy of the refund or redesignation request sent to the recipient committee(s). In addition, any refunds should be reported on Schedule A supporting Line 16 of the Detailed Summary Page of the report covering the period in which they are received. Redesignations should be reported as memo entries on Schedule B of the report covering the period in which the redesignation is made. 11 CFR §110.2(b)

Although the Commission may take further legal steps, prompt action by your committee to refund or seek redesignation of the excessive amount will be considered.

-Please identify the name and address of the payee for the in-kind contribution(s) disclosed on Schedule B for Line 23.

-Schedule E discloses independent expenditures on behalf of a federal candidate(s). Schedule F of this report discloses coordinated expenditures on behalf of the same candidate(s). Under 2 U.S.C. §431(17), an "independent expenditure" is defined as:

... an expenditure by a person expressly advocating the election or defeat of a clearly identified candidate; and that is not made in concert or cooperation with or at the request or suggestion of such candidate, the candidate's authorized committee, or their agents, or a political party committee or its agents.

Further, 11 CFR §109.21 outlines the factors which define a coordinated communication. Please verify that the independent expenditures made by your Committee in support of Brian Bilbray meet the definition of and were properly categorized as independent expenditures. If necessary, amend your reports to disclose the aforementioned transactions as in-kind contributions (Schedule B supporting Line 23 of the Detailed Summary Page) or coordinated expenditures (Schedule F supporting Line 25 of the Detailed Summary Page).

If the reclassification of these expenditures as in-kind contributions results in excessive contributions, the Commission recommends that you notify the candidate(s) and request a refund of the amount in excess of \$5,000 per election. If the reclassification of these expenditures as coordinated expenditures results in your committee exceeding the limitations under 2 U.S.C. §441a(d), the Commission recommends that you notify the candidate(s) and request a refund of the amount in excess of the expenditure limitation.

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Please inform the Commission of any corrective action immediately in writing and provide a photocopy of your refund request(s) sent to the candidate(s). In addition, any refunds should be disclosed on Schedule A supporting Line 16 of the report covering the period during which they are received.

-Schedule E of your report discloses a Calendar Year-To-Date Per Election for Office Sought total for the 2006 California District 50 Special Runoff which appears to be incorrect. FEC calculations disclose this amount(s) to be \$4,169,048.20. This figure is calculated by aggregating the total amount expended during the calendar year, per election, per office sought. Please amend your report to clarify this discrepancy.

-You have received a contribution from "Pepper Hamilton LLP," which appears to be an unincorporated proprietorship or partnership. Generally, these types of contributions are to be attributed to each person based on their percentage of ownership in the firm. Each person who has contributed in excess of \$200 since January 1 should be identified by name, address, occupation, name of employer, amount of contribution, and aggregate total on Schedule A. 11 CFR §110.1(e) Please amend your report by providing the omitted information.

Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses received on or before this date will be taken into consideration in determining whether audit action will be initiated. **Requests for extensions of time in which to respond will not be considered.** Failure to provide an adequate response by this date may result in an audit of the committee. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action.

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1143.

Sincerely,


Jennifer Thangavelu
Senior Campaign Finance Analyst
Reports Analysis Division

Excessive Contributions from Persons

Contributor Name	Date	Amount	Report
Mr. Albin D. Obal	3/8/06	\$500.00	Amended 2006 April Monthly, received 7/10/06
Mr. Albin D. Obal	6/16/06	\$25,000.00	2006 July Monthly
Mr. Albin D. Obal	6/19/06	\$25,000.00	2006 July Monthly
Mr. Prairie Island Tribal Council	3/14/06	\$10,000.00	Amended 2006 April Monthly, received 7/10/06
Prairie Island Tribal Council	6/30/06	\$25,000.00	2006 July Monthly

Contributions After an Election – No Debt Designation

Recipient Name	Date	Amount	Election	Election State - Date
ROBIN HAYES FOR CONGRESS	6/2/06	\$30.00	P2006	NC - 5/2/06
ROBIN HAYES FOR CONGRESS	6/2/06	\$30.00	P2006	NC - 5/2/06
CHARLES TAYLOR FOR CONGRESS	6/6/06	\$98.00	P2006	NC - 5/2/06
BILL SHUSTER FOR CONGRESS	6/7/06	\$98.00	P2006	PA - 5/16/06
CHOCOLA FOR CONGRESS	6/8/06	\$387.50	P2006	IN - 5/2/06
CHOCOLA FOR CONGRESS	6/8/06	\$387.50	P2006	IN - 5/2/06
PEOPLE FOR ENGLISH COMMITTEE	6/8/06	\$181.25	P2006	PA - 5/16/06
PEOPLE FOR ENGLISH COMMITTEE	6/8/06	\$181.25	P2006	PA - 5/16/06
CITIZENS FOR GILLMOR	6/8/06	\$387.50	P2006	OH - 5/2/06
CITIZENS FOR GILLMOR	6/8/06	\$387.50	P2006	OH - 5/2/06
PENCE FOR CONGRESS	6/8/06	\$80.00	P2006	IN - 5/2/06
PENCE FOR CONGRESS	6/8/06	\$80.00	P2006	IN - 5/2/06
DENNIS REHBERG FOR CONGRESS	6/8/06	\$181.25	P2006	MT - 6/6/06
DENNIS REHBERG FOR CONGRESS	6/8/06	\$181.25	P2006	MT - 6/6/06
MIKE ROGERS FOR CONGRESS	6/8/06	\$181.25	P2006	AL - 6/6/06

Contributions After an Election – No Debt Designation (continued)

Recipient Name	Date	Amount	Election	Election State - Date
MIKE ROGERS FOR CONGRESS	6/8/06	\$181.25	P2006	AL - 6/6/06
HEATHER WILSON FOR CONGRESS	6/8/06	\$387.50	P2006	NM - 6/6/06
HEATHER WILSON FOR CONGRESS	6/8/06	\$387.50	P2006	NM - 6/6/06
DREIER FOR CONGRESS COMMITTEE	6/9/06	\$110.00	P2006	CA - 6/6/06
ROBIN HAYES FOR CONGRESS	6/9/06	\$316.66	P2006	NC - 5/2/06
ROBIN HAYES FOR CONGRESS	6/9/06	\$316.66	P2006	NC - 5/2/06
SHELLEY MOORE CAPITO	6/13/06	\$80.00	P2006	WV - 5/9/06
LATOURETTE FOR CONGRESS COMM.	6/14/06	\$80.00	P2006	OH - 5/2/06
HEATHER WILSON FOR CONGRESS	6/14/06	\$85.00	P2006	NM - 6/6/06
TERRY FOR CONGRESS	6/20/06	\$80.00	P2006	NE - 5/9/06
PEOPLE FOR ENGLISH COMMITTEE	6/22/06	\$187.50	P2006	PA - 5/16/06
HEATHER WILSON FOR CONGRESS	6/28/06	\$98.00	P2006	NM - 6/6/06
COMM TO RE-ELECT DUNCAN HUNTER	6/29/06	\$98.00	P2006	CA - 6/6/06
CHARLES TAYLOR FOR CONGRESS	6/29/06	\$98.00	P2006	NC - 5/2/06

In-Kind Contributions Designated for General Election but Made Before Primary Election

Recipient Name	Date	Amount	Election	Election State - Date
JOANN DAVIS FOR CONGRESS	6/2/06	\$98.00	G2006	VA - 6/13/06
PORTER FOR CONGRESS	6/13/06	\$250.00	G2006	NV - 8/15/06
PORTER FOR CONGRESS	6/14/06	\$110.00	G2006	NV - 8/15/06

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